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PATENT
Attorney Docket No.: 020375-047600US

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE BOARD OF PATENT APPEALS AND INTERFERENCES

In re application of:	Confirmation No. 8447
Fred C. Casto et al.	Examiner: Bangachon, William L.
Application No.: 10/718,481	Art Unit: 2612
Filed: November 19, 2003	APPEAL BRIEF UNDER 37 CFR §41.37
For: AUTOMATE PREPARATION OF RADIO-FREQUENCY DEVICES FOR DISTRIBUTION	

Mail Stop Appeal Brief - Patents
Commissioner for Patents
P.O. Box 1450
Alexandria, VA 22313-1450

Sir:

Appellant offers this Brief in support of the Notice of Appeal mailed concurrently.

1. Real Party in Interest

The real party in interest is First Data Corporation.

2. Related Appeals and Interferences

No prior or pending appeals, interferences, or judicial proceedings are known that are related to, will directly affect, will be directly affected by, or have a bearing on the Board decision in this appeal.

3. Status of Claims

Claims 1 – 15 and 23 – 28 are pending in the application and stand rejected pursuant to a Final Office Action mailed February 8, 2007 ("the Office Action"). Original Claims 16 – 22 have been canceled.

The rejections of each of Claims 1 – 15 and 23 – 28 are believed to be improper and are the subject of this appeal.

4. Status of Amendments

No amendments have been submitted subsequent to the mailing of the Office Action.

5. Summary of Claimed Subject Matter

The claimed invention relates to the preparation of radio-frequency devices for distribution. The character of radio-frequency devices raises issues about their distribution to consumers that are not raised by more fungible types of goods. Fungible goods can simply be deposited into a container of some kind and shipped by placing a label on the container. But radio-frequency devices are individually associated with particular recipients so that some coordination of the shipping information with the identity of the specific device in the package is needed. In particular, radio-frequency devices may be used in the initiation of financial

transactions so that it is important that the correct device be shipped to the correct recipient (*see generally* Application, p. 1, ll. 17 – 29).

There are other kinds of nonfungible products that are unique and that need to be delivered to the correct recipient. Conventional techniques appropriate to other types of unique products have been used in distributing radio-frequency devices. In particular, each device is conventionally received in a package at a processing center, where it is removed manually, scanned to encode it with the unique information, replaced back in the package manually, and distributed (*id.*, p. 2, ll. 3 – 4). The process is slow and costly (*id.*, p. 2, l. 5).

The inventors have recognized that the process can be reconfigured to use a preparation device that has multiple stations in which one of the stations encodes the device through its packaging and at which another of the stations affixes the appropriate shipping label. In some instances, a third station can be used to perform a verification function. The electromagnetic nature of the encoding function is exploited so that the encoding is performed without removing the device from its packaging and the multistation arrangement simultaneously mitigates the risk of affixing the wrong label to one of the packages. The result is an automated process that avoids many of the drawbacks of a conventional approach that uses a significant manual component.

a. Independent Claim 1

Independent Claim 1 recites a method for automated preparation of radio-frequency devices for distribution. A plurality of the devices are received (*id.*, Fig. 2, block 212; p. 5, ll. 17 – 19). Each device comprises an embedded radio-frequency transponder (*id.*, p. 2, ll. 19 – 20). Each of the devices is moved sequentially to a plurality of stations of a preparation device (*id.*, Fig. 2, blocks 216 – 232; p. 5, ll. 25 – 27); *see id.*, Fig. 1 for an example of a structure of the preparation device). At a first station, a radio-frequency identification code is assigned to the device (*id.*, Fig. 2, block 216; p. 6, ll. 5 – 9). A recipient is identified for the device and a package containing the device is labeled with a mailing address for the recipient at a second station (*id.*, Fig. 2, block 232; p. 6, ll. 9 – 10; p. 6, ll. 28 – 31).

b. Independent Claim 23

Independent Claim 23 also recites a method for automated preparation of radio-frequency devices for distribution. A plurality of the devices are received (*id.*, Fig. 4, block 404; p. 7, ll. 21 – 22). Each device comprises an embedded radio-frequency transponder (*id.*, p. 2, ll. 19 – 20). A plurality of magnetic-stripe cards are also received (*id.*, Fig. 4, block 408; p. 7, ll. 21 – 22). Each magnetic-strip card has a magnetic-stripe identification encoded on it (*id.*, p. 7, ll. 25 – 26). Pairs of the radio-frequency devices and magnetic-stripe cards are move sequentially to a plurality of stations of a preparation device (*id.*, Fig. 4, blocks 416 – 440; p. 8, ll. 4 – 30). The radio-frequency device of each pair is encoded with a radio-frequency identification code corresponding to the magnetic-stripe card at one of the stations (*id.*, Fig. 4, blocks 416 – 424; p. 8, ll. 7 – 17). Each pair is then prepared at another of the stations for mailing to a recipient (*id.*, Fig. 4, block 440; p. 8, ll. 26 – 30).

c. Independent Claim 26

Independent Claim 26 also recites a method for automated preparation of radio-frequency devices for distribution. A plurality of enclosures are received that each hold a radio-frequency device (*id.*, Fig. 6, block 604; p. 9, ll. 13 – 15). Each of the enclosures is moved sequentially to a plurality of stations of a preparation device (*id.*, Fig. 6, blocks 608 – 620). At a first station, a radio-frequency code assigned to each device is encoded without removing the device from its enclosure (*id.*, Fig. 6, block 608; p. 9, ll. 26 – 30). A recipient for each device is identified and the enclosure is labeled with an address fro the recipient at a second station (*id.*, Fig. 6, block 620; p. 10, ll. 5 – 11).

6. Grounds of Rejection to be Reviewed on Appeal

a. Claims 1, 2, 5 – 10, and 26 – 28 stand rejected under 35 U.S.C. §103(a) as unpatentable over U.S. Pat. No. 6,557,758 ("Monico") in view of U.S. Pat. No. 6,398,109 ("Ohki").

b. Claims 3 and 4 stand rejected under 35 U.S.C. §103(a) as unpatentable over Monico in view of Ohki and further in view of U.S. Pat. No. 5,929,760 ("Monahan").

c. Claims 11 and 12 stand rejected under 35 U.S.C. §103(a) as unpatentable over Monico in view of Ohki and further in view of U.S. Pat. No. 5,776,278 ("Tuttle").

d. Claims 13 – 15 and 23 – 25 stand rejected under 35 U.S.C. §103(a) as unpatentable over Monico in view of Ohki and further in view of U.S. Pat. Publ. No. 2003/0057276 ("Appalucci").

7. Argument

a. Claims 1, 2, 5 – 10, and 26 – 28 are patentable over Monico in view of Ohki

To support a rejection under 35 U.S.C. §103, the Examiner is charged with demonstrating that all limitations of the claims are taught or suggested by the prior art (MPEP 2142) and with "identify[ing] a reason that would have prompted a person of ordinary skill in the relevant field to combine the [prior art] elements" in the manner claimed. *KSR International Co. v. Teleflex Inc.*, 550 U.S. ___ at 15 (2007). In this instance, the Office Action relies on Monico for most of the limitations of the independent claims, citing Ohki for the proposition that stations at which different functions of a process like that described in Monico can be different.

The Office Action continues to assert that Monico discloses "sequentially moving each of the radio-frequency devices to a plurality of stations of a preparation device" in the form of boxes 10, 11, 12, and 13 of Fig. 1 (Office Action, p. 3). But as noted in the previous response, boxes 10, 11, 12, 13, and 17 of Fig. 1 are part of a flow diagram, merely indicating steps in a disclosed method for "simple, accurate and inexpensive shipping and tracking of a product" (Monico, Col. 2, ll. 65 – 67). Monico is explicit in describing these as "procedures," such as in the paragraph at Col. 3, ll. 32 – 48 of Monico. Nothing in Monico suggests that these procedures

are performed in anything but manual fashion, like the conventional prior art described in the Application at p. 2, ll. 1 – 4.

In relying on Ohki, the Office Action notes that the use of different stations is "conventional in automated packaging facilities where a physical distribution system maintains a high degree of secrecy" (Office Action, p. 4). This emphasis on a need for secrecy as a reason to prompt one of ordinary skill in the field to combine the references is misplaced. First, the different "stations" that the Office Action identifies as disclosed by Ohki are actually different parts of an entire distribution system: Ohki identifies "Trade A" as representing a source of goods, "Trade C" as a destination for the goods, and "Trade B" as a mechanism for conveying the goods from the source to the destination. These different "trades" manifestly do not correspond to "a plurality of stations of a preparation device."

Indeed, Monico already discloses that "[i]n use, the packaged product is shipped by any suitable source, and at various locations (including the origin, destination and any transfer points)" (Monico, Col. 4, ll. 45 – 47). One of skill in the art presented with both references would, at best, identify the "origin" in Monico with "Trade A" in Ohki, identify the "destination" in Monico with "Trade C" in Ohki, and identify the "transfer points" in Monico with "Trade B" in Ohki. All that Ohki then adds to Monico is its disclosure of how to manage the shipment from the origin to the destination with the transfer points while maintaining secrecy. This does not speak at all to preparation of devices for distribution from the origin.

Furthermore, the rationale for the combination based on secrecy is irrelevant to processes performed in preparing the devices for distribution. The concerns about secrecy that are described in Ohki arise as a result of shipment from the origin to the destination through a third-party intermediary (*see* Ohki, Col. 1, ll. 10 – 50). The potential for interception of information does not arise in this way by performing the preparation described in Monico, so there would be no reason for a person of skill in the art to modify Monico in the manner proposed.

For these reasons, each of independent Claims 1 and 26 is believed to be patentable over Monico in view of Ohki. Each of dependent Claims 2, 5 – 10, 27, and 28 is similarly believed to be patentable over this art by virtue of their dependence from patentable claims.

b. Claims 3 and 4 are patentable over Monico in view of Ohki and Monahan

Each of Claims 3 and 4 depends from independent Claim 1. They are believed to be patentable over the cited art by virtue of that dependence.

c. Claims 11 and 12 are patentable over Monico in view of Ohki and Tuttle

Each of Claims 11 and 12 depends from independent Claim 1. They are believed to be patentable over the cited art by virtue of that dependence.

d. Claims 13 – 15 and 23 – 25 are patentable over Monico in view of Ohki and Appalucci

Each of Claims 13 – 15 depends from independent Claim 1. They are believed to be patentable over the cited art by virtue of that dependence.

The rejection of independent Claim 23 is made on the basis that it "recites the limitations of claim 13 and [is] therefore rejected for the same reasons." This assertion is not quite correct, although there are admittedly similarities to some of the limitations recited in Claims 13 and 23. But it is relevant that, like independent Claims 1 and 26, independent Claim 23 recites sequential movement to a plurality of stations of a preparation device in the form of "sequentially moving each of the radio-frequency devices to a plurality of stations of a preparation device." In additon, independent Claim 23 recites an encoding step similar to what is recited in each of Claims 1 and 26 in the form of "encoding the radio-frequency device of each pair with a radio-frequency identification code corresponding to the magnetic-stripe identification of the magnetic-stripe card of the each pair at one or more of the stations." And Claim 23 recites "preparing the ach pair for mailing to a recipient at another of the stations," a limitation somewhat broader than the "labeling" recited in independent Claims 1 and 26.

The reliance on Monico and Ohki for the rejection of Claim 23 is thus deficient for the same reasons that the rejections of Claims 1 and 26 are deficient. Specifically, nothing in

Monico suggests that the procedures it discloses are performed in anything but manual fashion and the reliance on Ohki is misplaced because its "Trades" are manifestly not "a plurality of stations of a preparation device." Nothing in Appalucci resolves this deficiency, and Appalucci is not relied on by the Office Action for such purposes in any event.

Thus, for substantially the same reasons articulated in greater detail above with respect to independent Claims 1 and 26, independent Claim 23 is also believed to be patentable over the cited art. Each Claims 24 and 25 depends from Claim 23 and is additionally believed to be patentable by virtue of that dependence.

8. Conclusion

Appellant believes that the above discussion is fully responsive to all grounds of rejection set forth in the application. Please deduct the requisite fee of $500.00 pursuant to 37 I.E. §1.17(c) from Deposit Account 20-1430 and any additional fees that may be due in association with the filing of this Brief.

Respectfully submitted,

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CLAIMS APPENDIX

The claims pending in the application are as follows:

1. (Previously Presented) A method for automated preparation of radio-frequency devices for distribution, the method comprising:

receiving a plurality of the radio-frequency devices, each device comprising an embedded radio-frequency transponder;

sequentially moving each of the radio-frequency devices to a plurality of stations of a preparation device;

encoding, at a first station, a radio-frequency identification code assigned to the each of the radio-frequency devices;

identifying a recipient for the each of the radio-frequency devices; and

labeling, at a second station different from the first station, a package containing the each of the radio-frequency devices with a mailing address for the recipient.

2. (Previously Presented) The method recited in claim 1 further comprising:

reading, at a third station different from the first and second stations, the radio-frequency identification code from the each of the radio-frequency devices; and

verifying that the read radio-frequency identification code matches the assigned radio-frequency identification code.

3. (Original) The method recited in claim 1 further comprising providing radio-frequency shielding around at least the first station.

4. (Original) The method recited in claim 1 further comprising providing radio-frequency shielding around the preparation device.

5. (Previously Presented) The method recited in claim 1 wherein:

receiving the plurality of the radio-frequency devices comprises receiving each device in an enclosure; and

encoding the radio-frequency identification code is performed without removing the each of the radio-frequency devices from the enclosure.

6. (Original) The method recited in claim 5 wherein the package is the enclosure.

7. (Original) The method recited in claim 1 further comprising encapsulating the each of the radio-frequency devices in material to produce a structure of a standard size, wherein the preparation device is adapted to move objects of the standard size to the plurality of stations.

8. (Original) The method recited in claim 7 wherein encapsulating the each of the radio-frequency devices comprises heat shrink wrapping the each of the radio-frequency devices.

9. (Original) The method recited in claim 1 further comprising affixing the each of the radio-frequency devices to a backboard having a standard size, wherein the preparation device is adapted to move objects of the standard size to the plurality of stations.

10. (Original) The method recited in claim 1 further comprising inserting the each of the radio-frequency devices into an envelope for mailing to the recipient.

11. (Previously Presented) The method recited in claim 1 wherein receiving the plurality of the radio-frequency devices comprises receiving a reel that includes the plurality of the radio-frequency devices.

12. (Original) The method recited in claim 11 further comprising cutting the reel between radio-frequency devices to separate the radio-frequency devices.

13. (Previously Presented) The method recited in claim 1 further comprising:

receiving a plurality of magnetic-stripe cards;

reading, at a third station different from the first and second stations, an identification of each of the plurality of magnetic-stripe cards from a magnetic stripe comprised by the magnetic-stripe card; and

determining the radio-frequency identification code to be assigned to a corresponding one of the radio-frequency devices from the identification of the each of the plurality of magnetic-stripe cards,

wherein the package further contains the magnetic-stripe card corresponding to the each of the radio-frequency devices.

14. (Original) The method recited in claim 13 further comprising encapsulating the each of the radio-frequency devices in material to produce a structure of a standard size, wherein the preparation device is adapted to move objects of the standard size to the plurality of stations.

15. (Original) The method recited in claim 14 wherein the standard size is approximately equal to a size of the magnetic-stripe cards.

16. – 22. (Canceled).

23. (Previously Presented) A method for automated preparation of radio-frequency devices for distribution, the method comprising:

receiving a plurality of the radio-frequency devices, each device comprising an embedded radio-frequency transponder;

receiving a plurality of magnetic-stripe cards, each magnetic stripe card having a magnetic-stripe identification encoded thereon;

sequentially moving pairs of the radio-frequency devices and magnetic-stripe cards to a plurality of stations of a preparation device;

encoding the radio-frequency device of each pair with a radio-frequency identification code corresponding to the magnetic-stripe identification of the magnetic-stripe card of the each pair at one or more of the stations; and

preparing the each pair for mailing to a recipient at another of the stations.

24. (Previously Presented) The method recited in claim 23 further comprising:

reading the radio-frequency identification code from the radio-frequency device of the each pair at a further station; and

verifying that the radio-frequency identification code corresponds to the magnetic-stripe identification of the magnetic-stripe card of the each pair.

25. (Previously Presented) The method recited in claim 23 wherein preparing the each pair for mailing comprises inserting the each pair into an envelope addressed to the recipient.

26. (Previously Presented) A method for automated preparation of radio-frequency devices for distribution, the method comprising:

receiving a plurality of enclosures each holding a radio-frequency device, each device comprising an embedded radio-frequency transponder;

sequentially moving each of the enclosures to a plurality of stations of a preparation device;

encoding, at a first station, a radio-frequency identification code assigned to the each of the radio-frequency devices without removing the each of the radio-frequency devices from its enclosure;

identifying a recipient for the each of the radio-frequency devices; and

labeling, at a second station different from the second station, the enclosure of the each of the radio-frequency devices with an address for the recipient.

27. (Previously Presented) The method recited in claim 26 further comprising:

reading, at a third station different from the first and second stations, the radio-frequency identification code from the each of the radio-frequency devices; and

verifying that the read radio-frequency identification code matches the assigned radio-frequency identification code.

28. (Original) The method recited in claim 26 wherein each of the enclosures is a standard size.

EVIDENCE APPENDIX

Not included.

RELATED PROCEEDINGS APPENDIX

Not included.